



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 21, 1999

Trevor Potter, Esquire
Wiley, Rein and Fielding
1776 K Street, N.W.
Washington, D.C. 20006

Re: MUR 4879

Dear Mr. Potter:

On May 12, 1999, the Federal Election Commission decided to take no further action against your client, Carl M. Bouckaert, and accepted the signed conciliation agreement submitted on behalf of your client, Beaulieu of America, Inc., in settlement of violations of 2 U.S.C. §§ 441b(a) and 441f, provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

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Trevor Potter, Esquire
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Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please do not hesitate to contact me.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in black ink, appearing to read "L. Lerner", with a long horizontal flourish extending to the right.

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Conciliation Agreement

430-0349
202-392-4056

Figure 1. Schematic representation of the experimental design. The subjects were divided into two groups: the control group (CG) and the experimental group (EG). The CG was divided into two subgroups: the control group (CG) and the control group (CG). The EG was divided into two subgroups: the experimental group (EG) and the experimental group (EG). The subjects were divided into two groups: the control group (CG) and the experimental group (EG). The CG was divided into two subgroups: the control group (CG) and the control group (CG). The EG was divided into two subgroups: the experimental group (EG) and the experimental group (EG).

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CONCILIATION AGREEMENT

PC DOCS #731906

2. Carl M. Bouckaert was the Chief Executive Officer of Beaulieu of America, Inc. during 1995.

3. During 1995 Carl M. Bouckaert was a National Finance Co-Chair of Alexander for President, Inc., the principal campaign committee of Lamar Alexander in the 1996 presidential election.

4. On March 8, 1995, Alexander for President, Inc. held a \$1,000 per person fundraising dinner in Dalton, Georgia. Carl M. Bouckaert was one of the co-chairs of the dinner.

5. At the request of corporate officers of Beaulieu of America, Inc., 36 persons, comprised of employees and their spouses, made contributions totaling at least \$36,000 to Alexander for President, Inc. by purchasing tickets to the dinner. Other corporate officials were solicited for such contributions, but chose not to make them and faced no adverse consequences.

6. After the contributions were made, several executives of Beaulieu of America, Inc., reimbursed the employees and their spouses using corporate funds. The reimbursement were disguised as bonuses or expense reimbursements. Two executives reimbursed employees from personal funds. Some executives contributed and asked others to do so, but reimbursed no one. Respondent estimates approximately twenty-one Beaulieu employees and their spouses contributed, attended the fund raising dinner, and

were not reimbursed. Respondent accepts the principle of corporate responsibility for the actions of its managers in this situation.

7. Pursuant to 2 U.S.C. § 431(11), the term "person" includes a corporation.

8. Pursuant to 2 U.S.C. § 441b(a), it is unlawful for a corporation to make a contribution or expenditure in connection with a federal election, and it is unlawful for any officer or any director of a corporation to consent to the making of a contribution or expenditure by the corporation.

9. Pursuant to 2 U.S.C. § 441f, no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution and no person shall knowingly accept a contribution made by one person in the name of another person.

V. Respondent Beaulieu of America, Inc. knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f by using corporate funds to make contributions totaling at least \$36,000 to Alexander for President, Inc. in the names of others.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Two Hundred Thousand dollars (\$200,000), pursuant to 2 U.S.C. § 437g(a)(5)(B).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any

requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

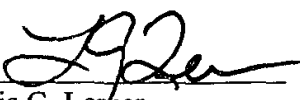
VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

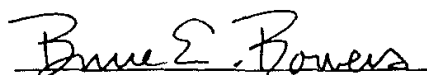
FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

5/20/99
Date

FOR THE RESPONDENT:


Bruce E. Bowers
General Counsel
Beaulieu of America, Inc.

1 Apr 99
Date